

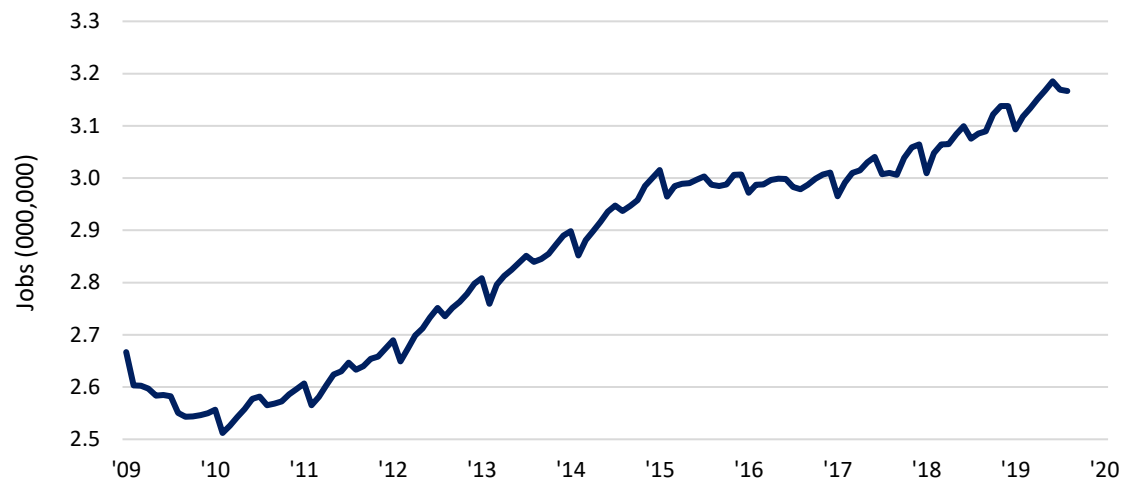
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September 20, 2019

Metro Houston created 81,900 jobs, a 2.7 percent increase, in the 12 months ending August '19, according to data released today by the Texas Workforce Commission (TWC). Nonfarm payroll employment was 3,166,900 in August, down from 3,169,300 in July and 3,185,200 in June. The two-month drop reflects the temporary loss of jobs associated with education. Those losses will be quickly recouped now that the school year has begun.

The Houston region typically adds 30,000 to 60,000 jobs the last four months of the year. If growth follows historic patterns, the region should top 3.2 million jobs by year's end.

Metro Houston Nonfarm Employment*



Source: Texas Workforce Commission

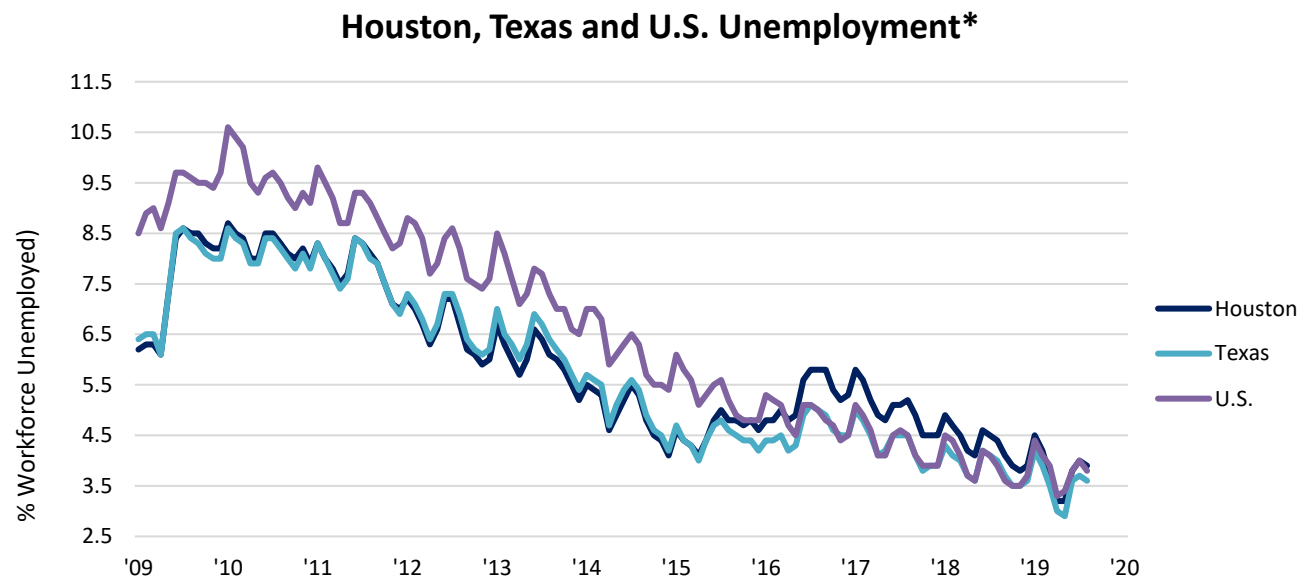
* not seasonally adjusted

Also of note in today's report:

- The sectors adding the most jobs over the past 12 months were professional, scientific, and technical services (21,100); manufacturing (11,500); other services (9,700); transportation, warehousing, and utilities (8,600); and health care and social assistance (8,200).
- Employment declined in a few sectors, the greatest losses occurring in retail trade (-4,700); construction of buildings (-4,500); employment services (-2,900); and information (-1,700).
- Employment in oil field services peaked in May and has declined steadily since. This is not surprising given the loss of nearly 200 rigs since the first of the year. The jobs gained in manufacturing are likely an overestimate given that three-fourths of the gains have been in equipment manufacturing and fabricated metals, sectors closely tied to upstream energy.

- The 9,700 jobs added in other services is also a dramatic overestimate. The sector includes repair shops, nail salons, barbershops, and funeral parlors, all services linked to growth elsewhere in the economy. Though Houston's overall economic growth has slowed markedly since the first of the year, TWC has reported accelerated job growth for this sector. The agency will likely reduce job growth in the sector by 50 percent or more when it issues its benchmark revisions next March.

Houston's unemployment rate was 3.9 percent in August, down from 4.0 percent in July and from 4.4 percent in August of last year. The Texas rate in August was 3.6 percent, the U.S. rate 3.8 percent. The rates are not seasonally adjusted.



Source: Texas Workforce Commission

* not seasonally adjusted

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